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May 25, 2006

**VIA FEDERAL EXPRESS**

Judge Donald H. Steckroth  
United States Bankruptcy Court  
District of New Jersey  
50 Walnut Street,  
Newark, New Jersey 07102

**Re: In re: NJ Affordable Homes Corp., Debtor**  
**Case No. 05-60442 (DHS)**

Dear Judge Steckroth:

We represent Melvyn Barenholtz, one of the investors who was defrauded by the Debtor and its affiliates. Mr. Barenholtz previously filed a general objection to the Trustee's pending application, which is now returnable on May 31, 2006. By this letter, we write to advise the Court that Mr. Barenholtz's objection does not apply to the property located at 101 Hempstead Road, Spring Valley, New York (the "Hempstead Property") for the reasons set forth below.

With respect to the Hempstead Property, Mr. Barenholtz never attended a closing; never signed a note, mortgage or other document and never authorized anyone to close a transaction on his behalf. From our review of the County Clerk's records before the commencement of this Chapter 7 case, we discovered that the Debtor or its affiliates, unbeknownst to Mr. Barenholtz, forged Mr. Barenholtz's name on a document that purported to be a power of attorney with respect to the Hempstead Property. Again, before the commencement of this Chapter 7 case, to make clear that Mr. Barenholtz had not executed that power of attorney and that the document was a nullity, Mr. Barenholtz filed a revocation of that power of attorney with the Rockland County Clerk. Accordingly, Mr. Barenholtz has no interest in or connection with the Hempstead Property and, therefore, has no objection to the Trustee's application, solely with respect to the Hempstead Property.



*Judge Donald H. Steckroth  
United States Bankruptcy Court  
District of New Jersey  
Page 2  
5/25/2006*

Mr. Barenholtz maintains his previously filed objection with respect to all the other properties for which he is the title holder of record.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Jeffrey Schreiber". The signature is written over the word "Respectfully" in the preceding line.

Jeffrey Schreiber

JS/mlm

cc: Harry Gutfleish, Esq. (*via e-mail*)  
Jeffrey Reich, Esq. (*via facsimile*)  
Melvyn Barenholtz (*via e-mail*)